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REMARKS/ARGUMENTS

## I. STATUS OF CLAIMS

Claims 1-26 remain in this application. Claims 1-3, 5, 8, 10-14, 17, 18, 20-22, and 25 have been amended. It should be noted that Applicant has elected to amend said Claims solely for the purpose of expediting the patent application process in a manner consistent with the PTO's Patent Business Goals, 65 Fed. Reg. 54603 (9/8/00). In making this amendment, Applicant has not and does not in any way narrow the scope of protection to which Applicant considers the invention herein to be entitled and does not concede, in any way, that the subject matter of such Claims was in fact taught or disclosed by the cited prior art. Rather, Applicant reserves Applicant's right to pursue such protection at a later point in time and merely seeks to pursue protection for the subject matter presented in this submission.

## II. CLAIM REJECTIONS – 35 U.S.C. § 102

The Office Action rejected Claim 25 under 35 U.S.C. § 102(e) as anticipated by Daniel, U.S. Patent No. 6,766,301 B1 (Daniel). The rejection is respectfully traversed.

Claim 25 appears as follows:

25. A method for preventing security leaks of an authentication number database, comprising the steps of:

keeping said authentication number database behind a firewall; and  
denying access to unauthorized machines.

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In particular, the Office Action states:

"As per claim 25, Daniel teaches ...

b. denying access of unauthorized machines (Daniel see for example, Figure 6, Element 88)."

Daniel does not teach or disclose what the Office Action states. Daniel states in Col. 13, lines 19-28:

"The IODS 1 approves 87 or disapproves 88 the use of the third party coupon by the member consumer/user. Once the member consumer/user is approved, the sale or sales of the product is entered 89 by the retailer who then validates 90 the payment of the sale by a credit card or a personal bank check by first matching the user name on the coupon with the name on the credit card or personal bank check and submitting 91 the sale to the respective financial institutions who will notify 92 the retailer either on line or through the phone whether the payment is good."

Daniel does not teach or disclose a system that denies access to unauthorized machines as claimed in Claim 25. Daniel teaches away from the claimed invention by teaching that his IODS approves or disapproves a consumer's use of a third party's coupon. Daniel does not contemplate what is claimed in Claim 25.

Anticipation under 35 U.S.C. § 102 requires a reference to teach or disclose each and every element, limitation, or step of a claim. Since Claim 25 includes at least one element not found in Daniel, the Daniel patent does not anticipate Claim 25 under 35 U.S.C. § 102. Reconsideration is respectfully requested.

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## III. CLAIM REJECTIONS – 35 U.S.C. § 102

The Office Action rejected Claim 10 under 35 U.S.C. § 102(e) as anticipated by Mankoff, U.S. Patent No. 6,385,591 B1 (Mankoff). The rejection is respectfully traversed.

Claim 10 has been amended to clarify the invention and appears as follows:

10. A method for generating a coupon authentication number for each receiving device coupled to a coupon distribution system, comprising the steps of:

activating at least one receiving device;

generating a unique coupon authentication number for each said receiving device, wherein said coupon authentication number is randomly generated and can be of any length of bits long;

storing said coupon authentication number in a coupon authentication number database;

communicating said coupon authentication number to a key server;

encrypting said coupon authentication number at said key server; and

sending said encrypted coupon authentication number from said key server to a receiving device which saves said encrypted coupon authentication number as a coupon key to be used to validate coupons.

In particular, Mankoff does not teach or disclose what is claimed in Claim 10.

The Office Action has misinterpreted the claimed elements in Claim 10. Claim 10 cites a unique encrypted coupon authentication number for each receiving device that is used as a coupon key to validate coupons. Mankoff teaches away from such a system by

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teaching that electronic coupons are saved to a client machine when a user clicks on a banner. The coupon is downloaded to a PDA and when the user wants to redeem the coupon, he synchronizes his PDA with a terminal at the retail establishment. The coupons are distributed by a central website or through a given advertiser (Abstract, Figs. 1, 2, and 4, col. 1, line 44-col. 2, line 24, col. 3, line 50-col. 36). Mankoff makes no mention and does not contemplate a system as claimed in Claim 10.

Anticipation under 35 U.S.C. § 102 requires a reference to teach or disclose each and every element, limitation, or step of a claim. Since Claim 10 includes at least one element not found in Mankoff, the Mankoff patent does not anticipate Claim 10 under 35 U.S.C. § 102. Reconsideration is respectfully requested.

#### IV. CLAIM REJECTIONS – 35 U.S.C. § 103

The Office Action rejected Claims 1-4, 11 and 12 under 35 U.S.C. § 103(a) as being unpatentable over Mankoff, U.S. Patent No. 6,385,591 B1, in view of Gressel, U.S. Patent No. 5,852,665 (Gressel). The rejection is respectfully traversed.

Claim 1 has been amended to clarify the invention and appears as follows:

1. A process for generation, delivery, and validation of electronic coupons via a telecommunication system, comprising the sub-processes of:
  - generating a unique coupon authentication number for each of a plurality of receiving devices;
  - delivering a cryptographic electronic coupon to one or more receiving devices;
  - validating said cryptographic coupon when a user redeems said cryptographic coupon using a unique coupon authentication number;

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wherein said telecommunication system includes a service center, a plurality of receiving devices, a display device coupled to each receiving device, a communication channel connecting said service center and each receiving device;

wherein said service center comprises an activation database, an authentication number database and a key server;

wherein said receiving device comprises a persistent storage device which stores one or more public keys assigned to said receiving device, and a crypto-chip which stores one or more private keys assigned to said receiving device.

As discussed above with respect to Claim 10, Mankoff does not contemplate a system that generates a unique coupon authentication number for each of a plurality of receiving devices and validates said cryptographic coupon when a user redeems said cryptographic coupon using a unique coupon authentication number as claimed in Claim 1. Mankoff teaches away from such a system by teaching that electronic coupons are saved to a client machine when a user clicks on a banner. The coupon is downloaded to a PDA and when the user wants to redeem the coupon, he synchronizes his PDA with a terminal at the retail establishment. The coupons are distributed by a central website or through a given advertiser (Abstract, Figs. 1, 2, and 4, col. 1, line 44-col. 2, line 24, col. 3, line 50-col. 36). Mankoff makes no mention and does not contemplate a system as claimed in Claim 1.

Therefore, Mankoff in view of Gressel does not teach or disclose the invention as claimed.

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Claim 1 is in allowable condition. Claims 2-4 are dependent upon independent Claim 1. Claims 11 and 12 are dependent upon independent Claim 10, which is also allowable. Therefore, Applicant respectfully requests that the Examiner withdraw the rejection under 35 U.S.C. §103(a).

V. CLAIM REJECTIONS – 35 U.S.C. § 103

The Office Action rejected Claims 5-9 and 13-24 under 35 U.S.C. § 103(a) as being unpatentable over Mankoff, U.S. Patent No. 6,385,591 B1, in view of Freeman, U.S. Patent No. 6,450,407 B1 (Freeman) and in view of Gressel, U.S. Patent No. 5,852,665 (Gressel). The rejection is respectfully traversed.

Claims 13, 17, and 18 have been amended to clarify the invention and appear as follows:

13. A method for delivering cryptographic coupons to one or more receiving devices coupled to a coupon distribution system, comprising the steps of:

receiving an order from a client to issue an electronic coupon,  
which is an offer to sell a specific product or service;

confirming an offer ID number for said coupon;

sending said offer ID number with coupon information to a  
receiving device;

distributing a coupon authentication number to each of said one or  
more receiving devices that is unique to each receiving device;

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performing a hash operation by a crypto-chip at said receiving device on said offer ID number using an encrypted coupon authentication number if a user decides to accept said offer;

displaying the first N digits of the hashed result as coupon ID number, with which, together with said offer ID number and said receiving device's serial number, the user may redeem said coupon; and

wherein said coupon ID number may be displayed to a user including detailed instructions about how to redeem said coupon.

17. A method for validating a cryptographic coupon, comprising the steps of:

submitting an offer ID number, a receiving device's serial number, and a coupon ID number to a vendor by a user who accepted said coupon;

entering said offer ID number, said receiving device's serial number, and said coupon ID number by said vendor who accesses to a common gateway interface at a service center;

checking, by a key server, an unencrypted coupon authentication number unique to the user's receiving device from a coupon authentication number database;

performing a hash operation on said offer ID number using said unencrypted coupon authentication number as a key;

taking the first N digits of the hashed result and comparing this N-digit number with said coupon ID number submitted by the user; and

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validating said coupon if said N-digit number matches with said coupon ID number.

18. A system for coupon encryption, distribution, and validation, comprising:

a client which issues coupons, each of said coupons is designated a unique offer ID number;

an information service center which comprises an activation database, a coupon authentication number database, and a key server;

a plurality of service receiving devices, each of which is coupled to a displaying device;

a channel through which said information service center and said a service receiving device communicate;

wherein said information service center generates a unique coupon authentication number for each said service receiving device, wherein said coupon authentication number is stored in said coupon authentication number database and is communicated to said key server;

wherein said key server encrypts said coupon authentication number using an encryption algorithm and sends the encrypted coupon authentication number to said service receiving device;

wherein said service receiving device comprises a crypto-chip and a hard drive;

wherein said crypto-chip performs a hash operation on said offer ID number using said encrypted coupon authentication number and takes the



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first or last N digits of the hashed result as a coupon ID number for said coupon; and

wherein said coupon may be validated by said key server, which uses said service receiving device's serial number to look up the unencrypted coupon authentication number stored in said coupon authentication number database and performs a hash operation on said offer ID number using said unencrypted coupon authentication number and compares a base number taken from the first or last N digits of the hashed result with said coupon ID number submitted, and validates said coupon if said base number and said coupon number match.

As discussed above, Mankoff does not teach or disclose a system that provides a coupon authentication number that is unique to a receiving device and the unique coupon authentication number is used to perform a hash operation on an offer ID number to generate a coupon ID number as claimed in Claims 13, 17, and 18. Mankoff teaches away from such systems by teaching that electronic coupons are saved to a client machine when a user clicks on a banner. The coupon is downloaded to a PDA and when the user wants to redeem the coupon, he synchronizes his PDA with a terminal at the retail establishment. The coupons are distributed by a central website or through a given advertiser (Abstract, Figs. 1, 2, and 4, col. 1, line 44-col. 2, line 24, col. 3, line 50-col. 36). Mankoff makes no mention and does not contemplate that a coupon authentication number unique to a receiving device is used to perform a hash operation on an offer ID number to generate a coupon ID number.

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Therefore, Mankoff in view of Freeman and in view of Gressel does not teach or disclose the invention as claimed.

Claims 13, 17, and 18 are in allowable condition. Claims 5-9 are dependent upon independent Claim 1, which is allowable. Claims 14-16 are dependent upon independent Claim 13. Claims 19-24 are dependent upon independent Claim 18. Therefore, Applicant respectfully requests that the Examiner withdraw the rejection under 35 U.S.C. §103(a).

VI. CLAIM REJECTIONS – 35 U.S.C. § 103

The Office Action rejected Claim 26 under 35 U.S.C. § 103(a) as being unpatentable over Daniel, U.S. Patent No. 6,766,301 B1 (Daniel). The rejection is respectfully traversed.

Claim 26 has been amended to clarify the invention and appears as follows:

26. A method for remedying a security leak of an authentication number database, comprising the steps of:
- fixing said security leak;
  - generating a new random coupon authentication number for each receiving device that is unique for each receiving device;
  - wherein said coupon authentication number is used to authenticate coupons on each receiving device; and
  - distributing said coupon authentication number to each receiving device via a key server.

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In particular, Daniel does not teach or disclose a system that generates a new random coupon authentication number for each receiving device that is unique for each receiving device and wherein said coupon authentication number is used to authenticate coupons on each receiving device as claimed in Claim 26. Daniel does not mention such a system. Therefore, Daniel does not contemplate a system as claimed in Claim 26.

The Office Action states that:

“Daniel does not disclose expressly generating a new random coupon authentication number for each said receiving device; and distributing said coupon authentication number to said receiving device via said key server.

However, it would have been obvious to a person of ordinary skill in the art at the time the invention was made to modify reducing the coupon security fraud to accommodate generating a new random coupon authentication number because Daniel discloses, upon the detection of security fraud from submitted coupons, using the auditing trail which must be evidently accomplished by first deleting the anomaly coupon then re-generating / re-distributing the new coupon numbers in order to continue to trace / audit the coupon transactions as taught by Daniel...”

However, Daniel does not contemplate the use of a unique coupon authentication number for each receiving device and, further the use of said coupon authentication number to authenticate coupons on each receiving device. Therefore, it would not have been obvious to a person of ordinary skill in the art at the time the invention was made to modify Daniel as the Office Action concludes because there is no teaching in Daniel to suggest such a modification.

Therefore, Daniel does not teach or disclose the invention as claimed.

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Claim 26 is in allowable condition. Therefore, Applicant respectfully requests that the Examiner withdraw the rejection under 35 U.S.C. §103(a).

## VII. MISCELLANEOUS

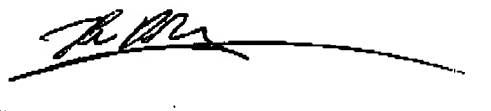
Applicant respectfully requests that a timely Notice of Allowance be issued in this case.

The Applicants believe that all issues raised in the Office Action have been addressed and that allowance of the pending claims is appropriate. Entry of the amendments herein and further examination on the merits are respectfully requested.

The Examiner is invited to telephone the undersigned at (408) 414-1080 to discuss any issue that may advance prosecution.

No fee is believed to be due specifically in connection with this Reply. To the extent necessary, Applicants petition for an extension of time under 37 C.F.R. § 1.136. The Commissioner is authorized to charge any fee that may be due in connection with this Reply to our Deposit Account No. 50-1302.

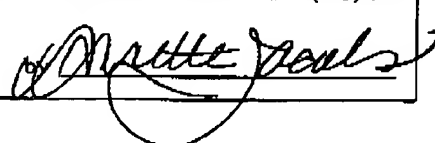
Respectfully submitted,  
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Dated: December 20, 2004

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